

Domestic Fundamentals:

- Mostly weak sentiments reported in major spot market on Tuesday amid lower arrivals.
- With the recent updates on production cuts by OPEC and Non-OPEC countries, the prices of crude oil has increased which has led to an increase in demand of about 15 percent for guar gum as it is used in hydraulic fracturing. However, farmers are not able to take advantage of this opportunity due to cash crunch. For 2015-16, guar seed products exports were around 3.15 lakh tonnes out of which guar gum were around 2.07 lakh tonnes. This year exports are expected to recover from their four-year low of 3.15 lakh tonnes.
- According to IBIS (provisional data) for the month of November, Export of guar seed products i.e. powder, Split and meal has decreased by 3666 metric tonnes compared to last month. India has exported 25872 tonnes of guar products in the month of November. Of the total quantity, 16053 tonnes is guar gum powder and the remaining is Guar split (3209 tonnes) and Guar meal (6610 tonnes).
- According to IBIS (provisional data), export of guar seed products (Guar Powder, Split and Meal) have increased compared to last week. In the week (21-26 November) the exports were around 8625 metric tonnes compared to 7684 metric tonnes in the week (14-20 November). The export of all guar split and guar gum powder has increased.
- According to IBIS (provisional data) for 21-26 November'16, the average \$FOB/Tonne has increased for guar split, guar meal and guar gum compared to last week. India has exported 5056 metric tonnes of guar gum powder at an average fob of \$1401.56/tonne, 1420 metric tonnes of guar split at an average fob of \$969.24/tonne and 2149 metric tonnes of guar meal at an average fob of \$497.99/tonne.
- Total guar seed products export from India for the week (21-26 November) was 8625 tonnes. Out of the total around 4157.41 tonnes was exported from Mundra Port, 1352.61 tonnes from Jodhpur concor ICD and 1145.68 tonnes from Ahmedabad ICD. Whereas last week (14-20 November) 3133.26 tonnes was exported from Mundra Port, 1143.64 tonnes from Jodhpur concor ICD and 1181.7 tonnes from Ahmedabad ICD.
- The wholesale price index of guar seed has decreased from 261.7 in September 2016 to 251.7 in October 2016. The WPI for October 2016 is down by 63.1 compared to last year for the same month and by 136.5 compared to October 2014.
- Fear of cash crunch in coming days and ban on Rs 500 & Rs 1000 notes have impacted daily trading activities in cash market and pressure would continue to build up in coming days. Uncertainty over cash supply may drive cash market price down from current level. Restricted cash transaction would affect normal trade. US election result and ban on high denomination notes in India would continue to affect normal trading and price trend in the short term.

- According to first advance estimate for 2016-17 issued by Rajasthan's Department of Agriculture for Guar seed the area, production and yield are 2223474 hectares, 1962424 tonnes and 549 kg/hectare respectively. As compared to fourth advance estimate for 2015-16, the area, production and yield have decreased by 1209842 hectares, 261050 tonnes and 84kg/hectare respectively.

Outlook: Prices are likely to move from range bound to slightly weak in coming days.

Guar Seed 10MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
Jan-17	+28	3225	3255	3190	3254	29190	-110	69920	500
Feb-17	+26	3270	3297	3235	3296	5410	1020	14050	2400

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
Jan-17	+94	6070	6166	5997	6166	7580	-60	39165	-910
Feb-17	+77	6094	6220	6066	6218	2715	1185	7565	1780

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	19-Dec-16	19-Dec-16	19-Dec-16	19-Dec-16
Bikaner	7786	0	7786	7787
Deesa	6247	60	6307	6248
Sri Ganganagar	2625	100	2725	2470
Jodhpur	2469	0	2469	2625
Nokha	10	20	30	-

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	19-Dec-16	19-Dec-16	19-Dec-16	19-Dec-16
Deesa	-	-	-	-
Bikaner	4061	20	4081	4061
Jodhpur	5999	60	6059	6000
Nokha	6237	39	6276	6238
Sri Ganganagar	3915	0	3915	3915

Churi and Korma Prices: As On 20 Dec, 2016

Commodity	Center	Rs/75kg
Churi	Jodhpur	1669
Korma	Jodhpur	1920
Churi	Sri Ganganagar	1538
Korma	Sri Ganganagar	1838

Guar Export Prices: As On 20 Dec, 2016

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		60	884
Guargum Powder	200 Mesh 5000 CPS	80	1178
	200 Mesh 3500 CPS	75	1105
Guargum Meal	Meal 40%	21	309
	Meal 50%	25	368

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
Guar Seed			20-Dec-16	19-Dec-16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3200	3200	Unch
		Jodhpur(Delivery)	3350	3350	Unch
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3170	NR	-
		Sri-Ganganagar (Delivery)	3320	NR	-
		Rawla (Loose)	3150	3100	50
		Gharsana (Loose)	3060	3100	-40
		Raisinghnagar (Loose)	3125	3150	-25
	Bikaner	Bikaner (Loose)	3200	3100	100
		Bikaner (Delivery)	3350	3250	100
		Nokha(Loose)	3120	3150	-30
		Nokha (Delivery)	3232	3263	-31
		Khajuwala (Loose)	3090	3110	-20
		Khajuwala (Delivery)	3214	3234	-21
		Lunkaransar (Loose)	3050	3100	-50
	Hanumangarh	Hanumangarh (Loose)	3170	3160	10
		Hanumangarh (Delivery)	3320	3310	10
		Nohar (Loose)	3080	3100	-20
		Pilibanga (Loose)	3100	3125	-25
	Nagaur	Nagaur (Loose)	3100	2950	150
	Churu	Churu (Delivery)	3200	3250	-50

	Alwar	Alwar (Loose)	3000	3050	-50
Haryana	Hisar	Adampur (Loose)	3200	NR	-
		Adampur (Delivery)	3350	NR	-
	Bhiwani	Bhiwani (Delivery)	3100	3100	Unch
		Siwani (Loose)	3200	3225	-25
	Sirsa	Sirsa (Loose)	3125	3150	-25
		Dhabwali (Loose)	3080	3100	-20
		Dhabwali (Delivery)	3230	3250	-20
		Ellanabad (Loose)	3100	3100	Unch
	Fatehabad	Fatehabad (Loose)	NR	3150	-
Gujarat	Banaskantha	Deesa (Loose)	2950	3010	-60
	Patan	Patan (Loose)	2985	NA	-
	Rajkot	Rajkot (Loose)	2950	2950	Unch
	Jamnagar	Dhrol (Loose)	2910	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6000	6100	-100
	Alwar	Alwar	6000	6200	-200
	Hanumangarh	Nohar	6200	6400	-200
Haryana	Bhiwani	Bhiwani	6150	6100	50
	Sirsa	Sirsa	6050	6100	-50
		Dhabwali	6200	6150	50
		Ellanabad	6050	6100	-50
	Fatehabad	Fatehabad	NR	6250	-

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			20-Dec-16	19-Dec-16	
Guar Seed	Jodhpur	Jodhpur	210	30	180
	Sri-Ganganagar	Sri-Ganganagar	266	NR	-
		Rawla	1000	1500	-500
		Gharsana	700	1000	-300
		Raisinghnagar	300	1200	-900
	Bikaner	Bikaner	500	1000	-500
		Nokha	300	300	Unch
		Khajuwala	2000	2500	-500
		Lunkaransar	500	400	100
	Hanumangarh	Hanumangarh	500	800	-300

		Nohar	1500	1500	Unch
		Pilibanga	200	200	Unch
	Nagaur	Nagaur	50	50	Unch
	Churu	Churu	800	1000	-200
	Alwar	Alwar	300	1000	-700
Haryana	Hisar	Adampur	3500	NR	-
	Bhiwani	Bhiwani	400	100	300
		Siwani	500	1000	-500
	Sirsa	Sirsa	1200	2000	-800
		Dhabwali	300	200	100
		Ellanabad	300	800	-500
	Fatehabad	Fatehabad	NR	100	-
Gujarat	Banaskantha	Deesa	213	445	-232
	Patan	Patan	1226	NA	-
	Rajkot	Rajkot	150	200	-50
	Jamnagar	Dhrol	4	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			16919	17325	-406

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